MIFIDPRU 8 / Public Disclosures for Asset Managers who are not subject to the extended remuneration requirements for MRTs

Point72 Europe (London) LLP

11 September 2023

1. **Introduction**

1.1 Point72 Europe (London) LLP (the "**Firm**") is authorised and regulated by the Financial Conduct Authority ("**FCA**") of the United Kingdom and is a "MIFIDPRU investment firm" as defined in the FCA Rules. The Firm is a non-SNI firm for the purposes of the rules in the Prudential sourcebook for MiFID Investment Firms ("**MIFIDPRU**").

1.2 The Firm's Operations Committee is its Management Body (the "**Management Body**").

1.3 Under the FCA Rules (specifically Chapter 8 of MIFIFDPRU), the Firm is required to make specific disclosures relating to its:

- Risk Management Objectives and Policies;
- Governance Arrangements;
- Own Funds; and
- Remuneration Policy and Practices.

1.4 The Firm is part of a consolidation group for prudential regulation purposes. However, in accordance with MIFIDPRU 8.1.7 R, the Firm is providing these disclosures on a solo basis only.

2. **<u>Significant changes since last disclosure period</u>**

2.1 This is the Firm's first disclosure under the Pillar 3 disclosure requirements under MIFIDPRU 8. As such, there have been no significant changes to the information disclosed since the Firm's last disclosure period.

3. **<u>Risk Management objectives and policies</u>**

3.1 The Firm is the UK investment management arm of the Point72 group of asset management entities ("**Point72**" or "**Point72 Group**"). The Firm, as part of its role within the Point72 Group, provides discretionary investment management services in respect of certain assets of certain fund entities, which are located in the Cayman Islands and managed by Point72 globally.

3.2 In managing the assets of these funds, the Firm pursues three core investment strategies:

A. Long/Short Equity, which is the Firm's largest investment strategy by asset allocation and headcount, and which includes a fundamental research-intensive security selection process that is predominantly aimed at identifying mispriced equity securities;

B. Macro, which is comprised of portfolio teams working to generate uncorrelated returns through discretionary investments in developed and emerging markets across asset classes such as fixed income, FX, liquid credit, commodities, and derivatives; and

C. Quantitative/Systematic ("**Cubist Systematic Strategies**" or "**Cubist**"), which aims to generate returns using proprietary investment systems that consist of various computational techniques and models (collectively known as "signal models") that predict future prices in a variety of financial instruments.

3.3 In pursuing the strategies above, the activities of the Firm will give rise to certain risks which carry a potential for harm. Below we have set out a summary of the harm that could potentially be caused as a result of certain categories of risks related to the Firm's (i) Own Funds requirement; (ii) requirements around its Concentration risk; and (iii) requirements around its Liquidity. We have also set out a summary of the strategies and processes used to manage each of these categories of risk.

3.4 Regarding the Firm's approach to risk generally:

A. The Firm's Risk Appetite[1]

- The Management Body is committed to managing all of the Firm's risks. The Management Body has decided that the Firm's overall appetite for risk in business operations is low and it encourages all staff to identify, escalate and minimise risks as much as possible. The Firm has a conservative approach to tax and regulatory compliance risk and employs reputable external advisors that are specialised in those areas.

- The Firm defines "risk appetite" as the level of risk that the Management Body considers is acceptable for a given risk or group of risks. The assessment of risk takes into account the perceived or actual effectiveness of existing mitigating controls.

- The Firm has considered whether there is any misalignment between its business strategy and its risk appetite. The Firm is comfortable that, in light of the comparatively stable and predictable levels of the Firm's fee income and expenditure, the business strategy is aligned with its risk appetite[2].

  The Firm has also considered whether there are any material risks of misalignment between the Firm's business model and operating model and the interests of its clients and the wider financial markets. The Firm has concluded that there is no material risk of such misalignment.

B. The Firm's Risk Management Processes and their Effectiveness

The Firm has governance and internal control arrangements in place to manage risks across the business. The Firm maintains a risk management framework which is split between (1) portfolio and trading risk and (2) enterprise risk and is summarised as follows:

- *Portfolio and trading risk*

  - The Point72 Group's Risk Committee (the "**Group Risk Committee**") is responsible for the overall Point72 Group-level risk management and portfolio management oversight of the Point72 Group's trading strategy, which includes the Firm. The committee meets monthly and is chaired by the Point72 Group CRO.[3] The CRO draws upon the resources of each of the business groups within the Point72 Group in implementing the decisions of the Group Risk Committee, with particular support from the Execution Team.

    The Group Risk Committee reviews key risk measures such as VAR, Stress tests, market beta exposure, largest positions, largest relative positions, points of illiquidity etc. On a day-to-day basis, strategy risk is supervised and monitored by the CRO.

    The Point72 Group operates a series of automated measures to assist the risk management team to monitor and manage portfolio risk. These include:

[1] MIFID PRU 7.5.2R(2 and (3) and MIFIDPRU 7.8.7R (3)(a)
[2] MIFIDPRU 7.7.7R (3)(a)
[3] "CRO" means the chief risk officer of the Point72 Group.

a. Flags – risk parameters, which, if crossed, lead to enhanced monitoring of the relevant positions;

b. Guidelines – if a position crosses a guideline threshold, it would be expected to be brought back to a level below the guideline threshold during a relatively short timeframe; and

c. Limits – these are hard limits. If a position crosses a limit, it would, absent exceptional circumstances, be required to be brought below the relevant limit immediately.

- *Enterprise Risk*

  The Point72 Group has in place arrangements in relation to all aspects of its business. These arrangements are grouped into five broad areas:

- Organisation and Management - the Point72 Group maintains a clear organisational structure which is organised to maximise independence of function and to reduce internal conflicts. The Management Body is not aware of any present conflicts in respect of the Firm.

- People and Responsibilities – individuals have clearly defined roles and responsibilities, and openness and communication is actively encouraged in all areas, particularly in respect of any suspected breach of the Point72 Group's legal, ethical and regulatory obligations (including in relation to the Firm). There is an annual review and appraisal process in place for all staff.

- Business Processes – business risk is managed through the appointment of skilled senior personnel together with a combination of formal and informal checks and balances combined with management oversight arrangements. The Point72 Group maintains a close working relationship with its clients, prime brokers and administrators and certain other key advisers and service providers (in particular its auditors, tax advisors and lawyers).

- Management Information and Reporting – the importance of information as a governance tool is recognised by the Management Body. The Point72 Group has adopted risk management and management information systems in place that are designed to ensure that senior management have the required information that they need for reporting.

- Compliance Arrangements – The Point72 Group has sought to embed a culture of compliance throughout the business through a combination of education and training for staff and clarity of responsibility for management. In addition, there are detailed compliance manuals and policies covering compliance on an individual and Point72 Group wide basis, which include policies relating to best execution, trade allocation, trade errors, conflicts of interest, market abuse prevention, money laundering and financial crime prevention, personal account dealing and gifts and entertainment. All staff are required to confirm that they have read and complied with these on an annual basis. There is a risk-based monitoring plan in place which is an on-going process to monitor compliance with existing procedures and to ensure regulatory changes are addressed as they arise (e.g. specific personnel are assigned responsibility for risks across the Point72 Group's investment and business teams). The Management Body (which includes the Firm's Head of Compliance), the CRO, the CCO, the CAO and the COO[4] are responsible for the Firm's overall risk management framework and processes. Compliance requirements are the responsibility of the CCO at the Point72 Group-level and the Head of Compliance at the Firm-level. Finance requirements are the responsibility of the CFO[5] at the Point72 Group-level and the Firm's Finance Lead at the Firm-level. These officers as well as other department managers are responsible for identifying new risks and implementing controls to mitigate risks in their areas.

[4] CCO means the chief compliance officer for the Point72 Group; CAO means the chief administration officer for the Point72 Group; and COO means the chief operations officer for the Point72 Group.
[5] CFO means the chief financial officer for the Point72 Group.

- The Point72 Group's internal governance committees enhance the Point72 Group's risk management framework and processes.

- The Point72 Group's risks and internal controls are assessed on an on-going basis. When risks fall outside the Point72 Group's guidelines, remedial actions are taken to manage such risks.

- The following criteria are considered when implementing internal controls: (a) the controls should provide effective and efficient processes to manage risk; (b) the controls should ensure compliance with applicable laws and regulations; and (c) the controls should promote segregation of duties and clearly assign accountability.

- The Management Body, Group Audit & Operational Risk Committee, CRO, CAO, CCO, and COO are responsible for supervising those who have been assigned responsibility to implement the Point72 Group's internal controls and risk management procedures. Such oversight shall include a review of the control environment and the adequacy of the Firm's regulatory capital and liquid assets on a regular basis.

C. Risk Management Framework oversight

The Management Body, which includes the Head of UK[6] and Cubist Business Manager[7], is responsible for overseeing the risk management of the Firm from an enterprise risk and portfolio/investment risk perspective. The day-to-day management of the two types of risk is undertaken at the Point72 Group level by, respectively, the Operational Risk Management department and the Risk Management departments within the Point72 Group, which report into the Management Body on a periodic basis.

The Management Body oversees the Firm's risk management framework and procedures and has a direct reporting line with:

- the Point72 Group Risk Management department, which will provide input into the reports that the Management Body receives quarterly (or more frequently if required); and

- the Point72 Group Audit and Operational Risk Management Committee, which will provide periodic reporting (no less than annually) to the Management Body (or more frequently as required)[8].

The Point72 Group Risk Management department and the Group Risk Committee are independent of the portfolio management function. The principal focus of the Point72 Group Risk Management department is establishing, measuring, and reporting risk parameters related to positions managed by the Point72 Group (including the Firm), regulatory compliance and operations. The Point72 Group Risk Management department will set risk limits as part of the Firm's risk appetite and enforces those limits. The Firm has hired a senior risk manager in the London office, with local responsibility over the Firm's Macro portfolio managers.

As stated above, responsibility for overseeing the risk management process at the Firm sits with the Management Body. As part of this risk management process, the

[6] "Head of UK" means Will Tovey

[7] "Cubist Business Manager" means Hugh Luckock.

[8] This committee oversees assurance activities related to governance, enterprise risk management, and control and provides authority and direction to Group Internal Audit in carrying out auditing and consulting engagements. The Point72 Group Audit and Operational Risk Committee also oversees enterprise risk management activities and the vendor due diligence programme.

Head of UK (in respect of the Equities and Macro businesses) and the Cubist Business Manager (in respect of the Cubist business), both of whom sit on the Management Body, will carry out the following processes in relation to portfolio risk:

- Equities

  - Europe Long/Short Equities Risk Committee – The Europe Long/Short Equities Risk Committee meets monthly and is responsible for reviewing, assessing and deciding courses of action pertaining to the UK Long/Short equities business and covers individual books where risk limits are in focus. The Head of UK and the relevant risk managers attend and participates in this committee. The minutes of the meeting are sent to the Firm's Head of Compliance.

  - The Head of UK meets with Equities portfolio managers monthly to discuss their strategy (i.e. team, market, macro environment, etc.);

  - The Head of UK performs annual reviews with all the Equities portfolio managers which focuses on recent performance, forward looking business plan, risk metrics (actual versus limits); and

  - The Equities portfolio managers meet every six weeks with the Point72 Group portfolio construction analytics team ("**PCAT**") team to discuss portfolio construction and understand any potential factor leans or other characteristics that could be detrimental to performance (aging, concentration, realized vs. unrealized, etc.). The PCAT team will update the Head of UK with insights and observations from the meeting.

- Macro

  - Global Macro Risk Committee – The Macro Risk Committee meets monthly and is responsible for reviewing, assessing and deciding courses of action on certain risk-related issues related to the global Macro business, including the UK Macro business. It also performs capital allocation for Macro Strategies. The Head of UK attends this committee in respect of the UK Macro business;

  - The Head of UK attends annual reviews with Macro portfolio managers which focuses on recent performance, forward looking business plan, risk metrics (actual versus limits); and

  - The Firm now has a senior Macro risk manager based in the London office who will interact on a periodic basis with the Head of UK.

- Cubist
    - The Cubist Business Manager has visibility of real-time risk measures and risk limits for Cubist PMs via Point72's Risk Portal and various other tools, and is notified of risk limit changes;
    - The Cubist Business Manager reviews and makes adjustments to the Cubist Risk Management Schedule A (which contains risk limit changes, position size, allowed drawdowns, buying power for the Cubist PM Teams), in co-ordination with the Point72 Group risk team and the Cubist Group deputy head of investments; and
    - The Cubist Business Manager is authorised to approve pre-trade risk limit changes.

D. **Effectiveness of the Firm's Risk Management Processes**[9]

The Management Body conducts a formal annual review of the effectiveness of the Firm's risk management processes in connection with the ICARA process.

Such review is informed by information received from relevant committees that operate at the level of the Firm and the Point72 Group during which any material developments impacting on the Firm's risk profile may be brought to the attention of the Management Body. Such periodic and ongoing assessment of the Firm's risk profile facilitates the Management Body's ongoing assessment as to whether the Firm's risk management processes remain appropriate and whether sufficient own funds and liquid assets are maintained.

3.5 Risks Related to the Firm's Own Funds Requirement

The Firm has identified the following risks of harm relating to its strategy which relate to, and are intended to be addressed by, the Firm's Own Funds obligations (these represent the most material risks of harm):

- Poor fund performance due to geopolitical or macroeconomic influences;
- An employee committing fraud or financial crime;
- A member of staff engages in market manipulation resulting in asset prices reaching abnormal or artificial levels;
- Terrorism or destruction of systems/office;
- The Firm engages in business without appropriate regulatory authorisations / licenses, including as a result of a change to the business model; and
- Failure of critical systems for an extended period may result in financial, regulatory and/or reputational impacts.

The Firm manages and mitigates the risks of harm identified above through various strategies and processes.

[9] MIFIDPRU 7.8.7R(3)(f)

Description	Potential mitigants to risk of harm
Poor fund performance. - Geopolitical - Economic (rates, inflation, employment)	1. Allocation of capital across PMs and diverse strategies (Directional Macro in particular is growing which is positioned to benefit from macroeconomic changes, lowering impact) 2. PM performance management 3. Hiring practices and contractual incentives 4. Tight risk limits and portfolios are tightly hedged 5. Performance is based on alpha not beta 6. Expenses partially offset by pass-through and management fees even during a drawdown
An employee committing fraud or financial crime	1. Strict controls over movement of cash or authorization of trading activity 2. Fraud checks for new vendors 3. All expense reports are individually audited against policy. AML training. Making payments require more than one signatory. Quarterly AML DD meetings. 4. Most back-office processes are run out of US 5. Insider training and market manipulation surveillance processes and annual and new hire training
A member of staff engages in market manipulation resulting in asset prices reaching abnormal or artificial levels	1. Annual compliance training for investment professionals around market manipulation and insider trading 2. Surveillance of trading activity 3. Pre-trade limits for all PMs 4. Portfolio risk limits on asset classes and risk factors 5. Restricted list in place to restrict trading activity and monitor position limits 6. Hiring process includes hiring committee and surveillance approval, background checks, and a compliance veto
Terrorism or destruction of systems/office	1. Business Continuity Plan ("**BCP**") addresses inability to access office space as a disaster scenario along with appropriate workarounds to ensure efficient continuation of the business. 2. BCP addresses unavailable critical systems and documents workarounds available to employees 3. Ability to shift performance of critical processes between offices globally 4. All employees have ability to work remotely 5. Backup datacenter for recovery of critical trading applications during a disruption lasting up to 5 days
The Firm engages in business without appropriate regulatory authorisations / licenses, including as a result of a change to the business model	1. Compliance representative participate in governance and steering committees as well as key working groups to ensure new activities or strategic initiatives are sanctioned 2. Training (including senior managers and certified staff) for SMCR 3. Compliance monitoring programme 4. Compliance manual 5. New business activity requires senior manager approval through the New Activities Working Group 6. Point72 is authorized by the FCA
Failure of critical systems for an extended period may result in financial, regulatory and/or reputational impacts	1. BCP documents manual workarounds for critical functions in the event of a systems outage lasting less than 2 days 2. Backup datacenter for recovery of critical trading applications during a disruption lasting up to 5 days

3.6 Concentration Risk

The Firm has identified the following risks arising from its strategy, which relate to the Firm's relationships with, or direct exposure to, a single client / counterparty.

- the Firm's only client and main debtor is Point72 Asset Management, L.P., who is the Firm's ultimate controlling party; hence, the risk of the Firm being unable to collect these receivables is low;

- Cash deposits are concentrated at one reputable global banking institution. In the unlikely event of the banking institution's insolvency, the Firm would receive a capital or liquidity injection from Point72 UK Limited (the Firm's immediate Parent) or Point72 Asset Management, L.P.

Based on the above, the Firm has determined that the concentration risk is low, given Point72 Asset Management, L.P.'s ongoing commitment to ensure financial viability of the Firm.

Liquidity

The Firm has identified the following risks of harm arising from its strategy which relate to, and are intended to be addressed by, the Firm's Liquidity obligations (these represent the most material risks of harm):

- There is not sufficient cash to meet intra-day obligations.
- Liquid assets are not denominated in the same currency as expected outflows.
- The Firm's funding arrangements are or become concentrated in terms of counterparties, maturity, any security provided, products, currencies and geographical location.
- There are mismatches between the maturity of assets and liabilities.
- Unexpected payments arise.

The Firm manages and mitigates the risks of harm identified above through various strategies and processes.

Description	Potential mitigants to risk of harm
There is not sufficient cash to meet intra-day obligations.	Treasury and finance manage availability of cash globally to ensure we can meet intraday obligations for all geographies and markets in which we participate
Liquid assets are not denominated in the same currency as expected outflows.	Balances are generally denominated in USD and necessary amounts are converted to GBP ahead of known obligations, the largest of which is compensation. There is minimal risk that the Firm will have difficultly exchanging USD to GBP in a reasonable time to meet its obligations. This has never happened in the past.
The Firm's funding arrangements are or become concentrated in terms of counterparties, maturity, any security provided, products, currencies and geographical location.	The Firm does not take on debt and is not directly exposed to market / counterparty risk. The only payable / receivable balances arise from intercompany transactions.
There are mismatches between the maturity of assets and liabilities	Point72 global provides all funding and liquidity needs for international management companies.
Unexpected payments arise.	1. Finance and management inventory, project, and periodically revise liquidity requirements for the next 12 months + to minimize likelihood of inability to meet obligations 2. Group entities continue to maintain a strong liquidity position to step in for any unexpected shortfall globally.

4. Governance arrangements

Oversight of Governance Arrangements by the Management Body

4.1 The Firm, as a MIFIDPRU Investment Firm, is subject to the organisational requirements in 4.3A.1 R of the Senior Management Arrangements, Systems and Controls Sourcebook of the FCA Handbook ("**SYSC**").

4.2 Under SYSC 4.3A.1 R, the Firm must ensure that the Management Body defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the Firm, including the segregation of duties in the organisation and the prevention of conflicts of interest, and in a manner that promotes the integrity of the market and the interests of the Firm's clients.

4.3 In order to comply with the requirement in SYSC 4. 3A.1 R, the Firm has procedures in place to ensure that members of the Management Body are selected based primarily on the following criteria:

- reputation within the market;
- the possession of the necessary knowledge, skills and experience to perform the relevant duties;
- whether their addition will complement the Management Body's collective knowledge, skills and experience in relation to the Firm's activities, including the main risks it faces;
- diversity of viewpoints, backgrounds, experiences, and other demographics

4.4 As part of the Firm's governance arrangements and structure, the Management Body defines, oversees and is accountable for the implementation of governance arrangements that ensure effective and prudent management of the Firm. These arrangements include ensuring that the Firm and its individual functions are adequately resourced and ensuring that there is appropriate segregation of duties and responsibilities (for example, appropriate segregation of front office and middle and back-office functions, including risk management, operations and compliance functions that are independent of the front office) in a manner that promotes the integrity of the market and the interests of any clients. Under the Firm's governance arrangements, the Management Body also ensures that conflicts of interest between the interests of the Firm and the interests of a client are avoided or managed appropriately, again, in a manner that promotes the integrity of the market and the interests of clients. This is predominantly achieved through: (1) the adoption, and regular review, by the Management Body of a comprehensive conflicts of interest policy which identifies all relevant areas of the Firm's business that could give rise to such conflicts and the various mitigants that the Firm has put in place either to avoid such conflicts or to manage them such that the risk of prejudice to any of the Firm's clients has been reduced to an appropriate level; and (2) the establishment of a specific procedure for managing any *ad hoc* conflicts that arise which are not covered by the Firm's conflicts of interest policy.

4.5 The Management Body (either directly through its individual members or via sub-committees or working groups) has general oversight and supervisory responsibility over the Firm and its staff and operations. The Management Body operates under a set of Terms of Reference which provide for certain decisions to be reserved to it. The Management Body meets at least every two months to discuss significant matters affecting the Firm and to make strategic decisions. Under the Firm's governance arrangements including the Terms of Reference for the Management Body, the Management Body:

- has overall responsibility for the business and conduct of the Firm;
- approves and oversees implementation of the Firm's strategic objectives, risk strategy and internal governance;
- has oversight of and ensures the integrity of the Firm's accounting and financial reporting systems;
- has put in place financial and operational controls and compliance with applicable regulations;
- oversees the process of public disclosure and communications by the Firm with clients and regulators;
- is responsible for providing oversight of the Firm's senior management;
- monitors, assesses and makes changes in respect of deficiencies found in respect of: (i) the adequacy/implementation of the Firm's strategic objectives in the provision of investment services and activities (including ancillary services); (ii) the effectiveness of the Firm's governance arrangements; and (iii) the adequacy of the policies relating to the provision of services to clients; and
- has adequate access to information and documents which are needed to oversee and monitor management decision-making.

All members of the Management Body are required to commit sufficient time to ensure that they can perform their functions within the Firm and to act with honesty, integrity and independence of mind to effectively assess and challenge decisions where necessary and to effectively oversee and monitor management decision-making.

Directorships

4.6 The table below sets out how many directorships each member of the Management Body holds, broken down into executive and non-executive directorships.

4.7 The table below does not include, in respect of each member of the Management Body:

- any directorships the member holds in an organisation which does not pursue a predominantly commercial objective (for example, a charitable organisation or a company that has been established to own the freehold to a building in which the member lives);
- separate directorships held for multiple entities within the same group (all such directorships are accounted as a single directorship for the purposes of the table below); or
- separate directorships in undertakings in which the Firm holds a qualifying holding.[10]

[10] A qualifying holding is a direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights, or which makes it possible to exercise a significant influence over the management of the undertaking in which that holding subsists.

Member of the Management Body	Number of executive Directorships	Number of non-executive Directorships	Total number of directorships	
Sally Tennant	1	3	4	
Will Tovey	1	1	2	
Jade Harber	1	1	2	
Hugh Luckock	1	0	1	

Risk Committee

The Firm is not required to establish a risk committee, and so has not established such a committee.

Diversity Policy

In accordance with SYSC 4.3A.10 R, the Firm maintains a policy for promoting diversity on the Management Body (the "**Management Body Diversity Policy**").

The Management Body Diversity Policy sets out the Firm's approach to diversity within the Management Body. The Management Body Diversity Policy recognises and acknowledges the benefits of having a diverse Management Body in terms of supporting the attainment of the Firm's strategic objectives and its sustainable development.

The Management Body Diversity Policy further recognises and acknowledges that a diverse and effective Management Body would ensure that the perspectives and experience of all relevant individuals are taken into account in forming and implementing the strategy of the Firm.

Under the Management Body Diversity Policy, the Firm attempts to ensure that the composition of the Management Body reflects as broad a range of backgrounds and experience as possible (taking into account any other factors the Firm deems relevant). The Firm, however, is mindful that its ability to achieve broad diversity within the Management Body may be constrained, in practice, by its size (the Firm is a relatively small firm that has a relatively small Management Body (consisting currently of 4 individuals)).

The key objectives of the Management Body Diversity Policy, in summary, are to ensure that:

- all appointments to the Management Body are made on merit against objective criteria, but while taking into account the benefits associated with complimenting and expanding the knowledge, skills, diversity and experience of the Management Body as a whole;
- the composition of the Management Body reflects as broad a range of backgrounds and experience as it can (taking into account any other factors the Firm deems relevant as well as the relative small size of the Management Body); and
- the Management Body will annually review and assess its own composition and any requirements relating to the appointment of new members of the Management Body in light of: (i) the diversity principles described in the Management Body Diversity Policy; and (ii) any other factors it considers relevant.

The Firm believes that the objectives of the Management Body Diversity Policy set out above have been and are continuing to be achieved. In this regard, the Management Body is tasked with periodically reviewing the Management Body Diversity Policy as appropriate to monitor its effectiveness.

Under the Management Body Diversity Policy, the Management Body may, if it so chooses, set measurable objectives/targets for improving the diversity of its own composition. In light of the relatively small size of the Firm and of the Management Body, the Management Body has not set any such targets.

In addition to the Management Body Diversity Policy, as part of the Firm's wider Equal Opportunity Policy (as set out in the Firm's Employee Handbook), the Firm is committed to the principles of equal employment opportunity for all employees, applicants, workers, secondees and consultants (including members of the Management Body). The Firm's Equal Opportunity Policy states that employment decisions are made without regard to race, colour, religion or belief, sex, pregnancy or maternity, national origin, ethnic origin, citizenship, age, sexual orientation, physical or mental disability, marital / civil partnership status, gender reassignment, or any other characteristic protected under applicable law. The Firm complies with applicable laws pertaining to equal employment opportunity.

5. **Own Funds and Own Funds Requirement**

The Firm only became authorised by the FCA on 9 January 2023, and so was not subject, as a MIFIDPRU investment firm, to the requirements of MIFIDPRU in relation to own funds during the period to which these disclosures relate (i.e. the financial year ending 31 December 2022).

These disclosures will, however, be made as part of the Firm's next MIFIDPRU 8 disclosures relating to the financial year ending 31 December 2023.

6. **Remuneration policy and practices**

The Firm only became authorised by the FCA on 9 January 2023, and so was not subject, as a MIFIDPRU investment firm, to the requirements of MIFIDPRU and SYSC 19G in relation to remuneration during the period to which these disclosures relate (i.e. the financial / performance year ending 31 December 2022).

These disclosures will, however, be made as part of the Firm's next MIFIDPRU 8 disclosures relating to the financial / performance year ending 31 December 2023.